G. R. S. 58

Previous references.

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(Gen: Fin)

File No. 280-05

Serial Nos. 36

Later references.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 36

12/(E)

Part B. for April, 1908

SUBJECT.

Appointment of a Committee to consider the question of improvement of revenue and expenditure

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36) To: The 1st Councillor,
II nd — do —,
Heads of Departments,
and Asst Secy. Finl. Branch.

No. 7E 7/66-211 of 30.4.06.

States that Govt have resolved to appoint a Committee consisting of two members of Council for the purpose of examining into the progress of expenditure during the decade ending with 1903-4 and to measure its growth against the normal increase of revenue.

GPB—8,000—7-4-08

G.R.S. 11] 1905 - 6

GENERAL AND REVENUE SECRETARIAT

(Gen. Fin)

NOTES.

File. No. 2 80—05

FILE HEADING.

Appointment of a Committee to Consider the question of improvement of revenue and of retrenchment of expenditure.

From

No.	Dated	Received

Diary No.	Enclos.	Spare Copies.	Serial No.

BRIEF ABSTRACT OF LETTER.

NOTES AND ORDERS.

NOTES—First sheet.

GPR—30,000—20-3-06.

Submitted to His Highness.

In reviewing the Report of Mr. Kiernander on the Finances of Mysore, the Government of India observed that the ordinary expenditure during the decade ending with 1903-'04, had increased disproportionately to the growth of revenue in the same period, and suggested that the causes for this increase should be subjected to scrutiny.

On his assumption of the office of Comptroller, Mr. N.G. Basu was requested in letter No. Fl.4628/Genl.Fin.280, dated 25th January 1905, to institute an examination into the progress of expenditure during the decade and to measure its growth against the normal increase of revenue as also to analyse it in its several branches, with a view to ascertaining how far the increase was normal and incurred in order to meet the needs of a progressive administration and how far it was abnormal and due to special causes.

With his letter No.994/B&R.153, dated

August 1905, the Comptroller submitted a review of the progress of revenue and expenditure from 1894-5 to 1903-4.

In the first part of the review which is a somewhat detailed analysis of the heads of revenue and expenditure, he has invited attention to the noticeable features in the growth of revenue and expenditure. In the second part he has suggested the introduction of some financial checks and methods to prevent the disproportionate growth of expenditure.

The Comptroller's analysis based on an examination of the accounts has disclosed only the varia tions in figures, and the causes which have brought about the variations can only be found out by a stud of the methods of administration of the several departments. With this object the observations of the Comptroller were communicated to the Heads of Departments concerned and they were requested to report in detail from the departmental points of view on the causes responsible for the comparatively slow progress of revenue and the excessive growth of expenditure. Of the Heads of Departments thus request ed, all but the Revenue Commissioner have submitted

their reports.

The Land Revenue, contributing as it does about half the revenue of the State, is the most important source of income, and a thorough examination of the causes which have contributed to its comparatively small increase during the decade is necessary before the question of the standard of expenditure can be satisfactorily settled. The Comptroller observes that as far as can be judged from the account figures the increase in land revenue is not commensurate with the expenditure on irrigation. In Mysore there are no direct receipts from Irrigation and before the Comptroller's statement can be examined it is necessary to assess what portion of the land revenue may be regarded as directly due to irrigation, and if such portion is or is not a fair return on the outlay on irrigational works. It is also necessary to ascertain how far the revenue prospects anticipated at the time the works were undertaken have been realized and where there has been disappointment, what causes have contributed to it. This involves the examination individually of the works of irrigation and the collection of revenue statistics. The

Revenue Commissioner's report is awaited to see how far it will account for the comparatively slow increase in land revenue noticed by the Comptroller. It is feared that the Revenue Commissioner has no data readily available for the purpose.

The reports received from the other Heads of Departments show that before a more elaborate investigation is made, no action can be taken on the suggestions made by the Comptroller. The reports are not exhaustive and all the causes to which the result is attributable do not seem to have been traced; nor is there any attempt to assess the portion of the result due to each cause. Before the causes are precisely ascertained no action in the direction of the improvement of revenue or the retrenchment of expenditure can be taken.

The difficulty of coming to a decision on the materials now available can be illustrated by considering the 2 heads "Stamps" and "Law and Justice" The Comptroller observes that the revenue from stamps has decreased and suggests a thorough investigation of the matter. The Superintendent of Stamps attributes the decrease generally to the plague and

unfavorable seasons. But the steady increase in the Stamp revenue of the British Provinces where the plague and adverse seasons have had their disturbing effect shows that the causes for the falling off in Mysore lie deeper. Whether the diminution is due to any laxity in supervision or to the non-enforcement of the Stamp Laws or to any other cause requires thorough and careful enquiry. Before the causes for the decrease are traced, no practical steps can be taken to improve the revenue, except those already decided for adoption by His Highness the Maharaja and pending publication.

The Comptroller compares the cost of Judicial establishments in Mysore with those of Berar, the Central Provinces, Assam and Bengal, and finds that the charge for the administration of Justice is higher in Mysore than in those Provinces. Mr. Basu thinks that this is due to the liberal provision for establishments generally in Mysore and the proportionately smaller outturn of work as compared with the establishments trained under direct British supervision. The Chief Court Judges, however, think that the expenditure in Mysore is reasonable as compared

with that in Madras and state that they have no knowledge of the details of administration of Justice in Berar, the Central Provinces and Assam with which the Comptroller compares Mysore.

The Chief Judge is,however, able to say from experience that the administration of Law and Justice in Bengal is in important particulars different from that in Mysore and that this difference renders the cost of administration cheaper in the former as compared with that in the latter. Any retrenchment of expenditure may mean changes in the methods of Judicial administration and such changes cannot be introduced without a thorough investigation of their suitability and usefulness.

It will thus be seen that the question of the improvement of revenue and of the retrenchment of expenditure cannot be considered without an examination from every point of view of the system of administration of the departments concerned. Such examination can best be done by a Committee consisting of the Heads of important Revenue Departments,and of the large spending Departments,viz.,the following:-

(1) The Revenue Commissioner

(2) The Excise Commissioner

(3) The Chief Judge

(4) The Survey and Settlement Commissioner

(5) The Inspector General of Police

(6) The Inspector General of Education

(7) The Chief Engineer

(8) The Comptroller, Mysore Government.

The Committee may be presided over by either Mr. T.R.A. Thamboo Chetty, C.I.E., if he is agreeable or the Chief Judge.

The deliberations of the Committee will be coextensive with the whole range of administration, and it seems necessary to give a whole time Secretary to the Committee to carry on correspondence with the Heads of Departments for the collection of materials required by the Committee to arrive at definite conclusions and make specific recommendations. Without an officer who can devote his undivided attention, the work cannot be expected to be completed within a reasonable time.

A representative body like the one proposed is likely to thresh out all the important points , and with the report of the Committee before

them the Government can deal satisfactorily with the question of ~~the~~ improvement of revenue and of retrenchment of expenditure.

It is neither necessary nor expedient to refer to the Committee the consideration of the introduction of better financial checks and methods suggested by the Comptroller. With the recommendations of the Committee pointing out the directions in which the revenue can be improved and the expenditure curtailed, the Government will be in a position to see how far the existing checks have failed and in what respects they require strengthening to ensure sound financial administration.

6.3.06

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

93.06
691

Comptroller's review of the progress of revenue and expenditure from 1894-95 to 1903-04, and the proposed appointment of a Committee to consider the question of improvement of revenue and of ~~the~~ retrenchment of expenditure.

Order.

805

I shall be obliged if Mr Madhava Rao will consider this case and give me his views as to the best method of dealing with it., after discussing it with the Comptroller. I am disposed t think that a Committee constituted as suggested will be of little value. What is required is a small compact Committee, strengthened perhaps by at least one Non-Official.

25.4.06
817.

K R W
3/4/06

Is directed by His Highness vide later D.O. from the Private Secy the Councillors will be requested to take up the work of effecting the necessary retrenchment

and suggesting ways &
means for improving the
revenue in Consultation
with the head of the depart.
Concerned for the time being

The Councillors will be
requested to enter on the work
without delay. The report
of the Comptroller may be
placed before them & shall
also take part in the deliber
whenever practicable - Information
may be given to heads of departments
of the fact of the investigation
into the question of effecting
retrenchment & improving
the Rev having been entrusted
to the Councillors & a request
may be made that Government
would be glad if they would
attend the sittings of the Committee
whenever requisition may
be made for their personal
attendance & supply the
Committee with all the information
that may be required by such

Committee
25/4/1906.

The services of the assistant
Secretary Financial Branch should be
made available
for work
under the
Committee. The
Stenographer
attention to
ordinary duties.

25/4/1906

Proceedings
27.4.1906

Serial
No.

Draft Sub. by Secy mule 28-4-06

Put up 28/4/1906

MGCPB—50,000—17-2 0

G.R.S. 13]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

Submitted.

The accompanying draft-order is submitted, as directed, for the information of the Councillors before issue.

8.7.2606.

16.
14.7.06.

C.202.
17.7.06.

1st. Councillor.

2nd. Councillor

17/7

1907

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

GPB—30,000—11-4 06

W. O.

To

The Secretary
Department

Sir,

I shall feel much obliged by your kindly treating the subject-matter of G.O. No. H.7166-211 Gl2m280-0536 D/30.4.1906 as Secret & Confidential

Your obedient servant

Secy

G.R.S. 28]

File No. 280

Serial No. 36

*Diary No. of letter replid to*_____

Proceedings of the Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE SECRETARIAT.

( )

READ.—

, *the* 30 — 4 — 1906

Date of issue — do —

Signed by Mr B R Venkata Varadachar

No H6 7166-211

ORDER ~~THEREON~~.—No.

The increase in the Normal expenditure of the State incommensurate with the expansion of the Revenue, having attracted the attention of Govt., Mr. N G Basu Comptroller to the Govt of was requested in letter no dated

SUBJECT

MGCPB—20,000—24-2-05

No Fl 4628 - GF 280 of the 25th January 1905 to institute an examination into the progress of expenditure during the decade ~~ending~~ which ended with 1903-4 and to measure its growth against the normal increase of revenue. With his letter no 994 / B+R 153 of the 18th august 1905 the Comptroller Submitted a review of the progress of revenue and expenditure from 1894-5 to 1903-04 and this has been engaging the attention of Govt. Before Taking further Steps in the matter a thorough Examination from every point of View, of revenue and expenditure is Considered indispensable and Govt accordingly resolve to appoint a Committee Consisting of the two members of Council for the purpose of Conducting

G.R.S. 27]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation Sheet draft form.*)

Such examination and reporting, in Consultation with the Heads of Departments ~~Concerned~~, on the possibilities of retrenchment in expenditure and of improvement of revenue. The Comptroller's Review will be placed before the Committee which will be requested to enter on its work without delay.—

The Heads of Departments are requested to supply all the information required by the Committee and attend its sittings whenever requisition may be made for their presence—

28/4/1886

Secy

The services of
Mr. The Asst Secy in
the Financial Dept
& the G. & R. Secretariat
will also
be avail-
-able for work under
the committee.

Secy
28/4/86
To the 1st Committee
— Committee
2 Hds of Depts
~~The Asst Secy~~
To the Asst Secy in the
Financial Branch.

MGCPB—30,000—5-4-05.

Proceedings of the Government of His Highness the Maharaja of Mysore, Financial (General Finance), dated 30th April 1906.

No. Fl. 7166-211—Gen. Fin. 280-05-36, dated Bangalore, 30th April 1906.

Order.—The increase in the normal expenditure of the State, incommensurate with the expansion of the revenue, having attracted the attention of Government, Mr. N. G. Basu, Comptroller to the Government, was requested in letter No. Fl. 4628—Gen. Fin. 280, dated the 25th January 1905, to institute an examination into the progress of expenditure during the decade which ended with 1903-04, and to measure its growth against the normal increase of revenue. With his letter No. 994—B. & R. 153, dated the 18th August 1905, the Comptroller submitted a review of the progress of revenue and expenditure from 1894-95 to 1903-04, and this has been engaging the attention of Government.

2. Before taking further steps in the matter, a thorough examination, from every point of view, of revenue and expenditure, is considered indispensable, and Government accordingly resolve to appoint a Committee consisting of the two Members of Council for the purpose of conducting such examination and reporting, in consultation with the Heads of Departments, on the possibilities of retrenchment in expenditure and of improvement of revenue. The Comptroller's review will be placed before the Committee, which will be requested to enter on its work without delay.

3. The Heads of Departments are requested to supply all the information required by the Committee and attend its sittings whenever requisition may be made for their presence.

4. The services of the Assistant Secretary in the Financial Department of the General and Revenue Secretariat will also be available for work under the Committee.

B. K. VENKATA VARADA IYENGAR,
Secy. to Govt., Gen. & Rev. Dept.

To—T. Ananda Rao, Esq., B.A., Member of Council.
K. P. Puttanna Chetty, Esq., Member of Council.
All Heads of Departments.
The Assistant Secretary in the Financial Branch.

Exd.—C. V.

1905-06

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

FINANCIAL (GENERAL FINANCE)

PROCEEDINGS

Dated 30th April 1906

No. Fl. 7166-211 / Gen. Fin. 280-05-36

Appointment of a Committee of enquiry to report on the progress of revenue and expenditure during the decade ending 1903-04, and to suggest for the consideration of Government possible courses for the improvement of revenue and of retrenchment in expenditure.

GPB—1-5-06—300